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Press Release

EU FARM LEADERS CALL FOR RADICAL ACTION TO BE TAKEN TO BRING AGRICULTURE SECTOR OUT OF CRISIS

EU farm leaders urge EU politicians in Brussels today to take radical action in the EU dairy sector to help solve the unprecedented crisis currently facing dairy producers.

The move comes as EU Farm Ministers meet to debate the drastic market situation at an extra meeting organised by the Swedish Presidency. It also comes in the run up to Ministers meeting later this month when the catastrophic situation will be discussed again.

Just before Ministers meeting today, EU farm leaders met with President of the Farm Council Eskil Erlandsson to call for urgent action to be taken to help improve the situation. They warned that the current situation is simply not sustainable. Milk prices have plummeted by 30% in one year and EU dairy producers will lose up to 14 billion euros before the end of the year if nothing is done to help solve the crisis. EU farm incomes have already dropped by 3.7% last year and the mass exodus of farmers from the sector is continuing at an alarming rate. Farmers simply cannot take another sharp cut in their incomes. A price increase is consequently vital in order to enable them to survive.

In order to achieve this, Copa-Cogeca is calling for strong market measures to be applied in the short term, especially in public intervention and in export refunds on dairy produce. Copa-Cogeca also wants more measures to be applied to help stimulate demand, such as using skimmed milk powder for animal feedingstuff and re-implementing temporarily the community schemes for butter disposal, eg into pastry. In the medium to long term, measures to strengthen cooperatives and producers position in the food chain must be developed to help balance out retailers monopoly powers.

Speaking in Brussels, Copa President Pdraig Walshe stressed "EU farmers are furious. Fourteen billion euros of their income is being re-distributed amongst other stakeholders in the food chain, especially retailers. EU Farm Ministers must take rapid political decisions to help bring the EU dairy sector out of crisis. Without radical action, more farmers will go out of business and there will be a further exodus from the rural areas of the EU. The crisis will also impact on the EU cereals and oilseeds sector by reducing demand for feedstuffs. I welcome EU Farm Commissioner Mariann Fischer Boel's proposal to launch a debate on the future of the EU dairy sector but I want our experts to be involved in the working group which will be set up to discuss this".

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